



Brownfields Cleanup Revolving Loan Fund Pilot

Chicago, IL

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

BACKGROUND

The City of Chicago has a broad and diverse population of nearly 3 million people. Chicago's average unemployment rate is just under 7 percent, with certain areas of the City at a rate nearing 25 percent. Many Chicago brownfields are located in or near communities with high rates of unemployment, poverty, and crime. Three Chicago communities are designated Empowerment Zones (the near West Side, Pilsen/Little Village, and near South Side). Six areas also are designated as State Enterprise Zones. Since 1993, the City of Chicago's Department of Environment (DOE) has remediated or overseen the remediation of 33 sites with a total acreage of over 50 acres, and is currently overseeing environmental aspects of assessment and cleanup at 28 sites with a total area of 480 acres.

BCRLF OBJECTIVES

The City of Chicago's BCRLF will advance the objective of the Chicago Brownfields Redevelopment Initiative to create jobs and generate tax revenues through industrial redevelopment, thereby improving the environmental and economic health of the inner city. The Chicago BCRLF plans to give priority to sites that are located within Empowerment Zones, Enterprise Zones, and tax increment financing districts.

PILOT SNAPSHOT



Date of Announcement:
May 25, 1999

Amount: \$500,000

BCRLF Target Area:
Sites located within
Empowerment Zones,
Enterprise Zones, and TIF
districts

Contacts:

Chicago Department
of Environment
(312) 744-9139

Region 5 Brownfields
Coordinator
(312) 886-7576

Visit the EPA Region 5 Brownfields web site at:
www.epa.gov/R5Brownfields/

For further information, including specific Pilot contacts,
additional Pilot information, brownfields news and events, and
publications and links, visit the EPA Brownfields web site at:
<http://www.epa.gov/brownfields/>

FUND STRUCTURE AND OPERATIONS

Chicago's Department of Environment will serve as lead agency and site manager. The City has identified three possible options for fund manager: Chicago's Office of Budget and Management; the Illinois Development Finance Authority; and a private entity. Chicago anticipates cleaning up between four and seven acres during the initial round of loans.

LEVERAGING

BCRLF funds may be supplemented by tax increment financing, HUD Section 108 loans, and Brownfield Economic Development Initiative Grant funds. In addition, the City anticipates providing funds to assist in the cleanup of brownfield sites.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.
